IN THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

In re: Chapter 11

HENRY CHARLES HERRMANN and KAREN JOAN HERRMANN

Debtors Bankruptcy No.: 17-14040 (MDC)

ACTING UNITED STATES TRUSTEE'S MOTION TO CONVERT **OR DISMISS CASE**

The Acting United States Trustee for Region Three, by and through his undersigned counsel, pursuant to 11 U.S.C. Section 1112(b), requests the Court to enter an Order converting the above-captioned case to Chapter 7, or in the alternative, dismissing this case, and in support thereof states as follows:

- 1. Andrew R. Vara is the Acting United States Trustee for this jurisdiction.
- 2. Pursuant to 28 U.S.C. Section 586, the United States Trustee is responsible for the supervision and administration of all cases filed under Chapter 11 of the Bankruptcy Code. The United States Trustee has standing to request conversion or dismissal of this case. 11 U.S.C. §§ 307, 1112(b).
- 3. The debtor filed a petition for relief under Chapter 11 of the Bankruptcy Code on or about June 8, 2017. Since that date, the Debtor has remained in possession of his assets and has operated as a debtor-in-possession. 11 U.S.C. §§ 1107, 1108.
- 4. Bankruptcy Code Section 1112 provides for the conversion or dismissal of Chapter 11 cases. Under that section, after notice and hearing, for cause shown, the Court may convert or dismiss a case, whichever is in the best interest of creditors and estate. 11 U.S.C. § 1112(b).

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5. The debtors have failed to file all operating reports.

6. The debtors have failed to pay all quarterly fees owed pursuant to 28 U.S.C. §

1930.

7. The debtors have caused unreasonable delay that is prejudicial to creditors.

8. The debtors have been unable to effectuate a plan of reorganization.

WHEREFORE, based on the foregoing, the Acting United States Trustee

requests that his Motion be granted, including conversion of this case to Chapter 7 or dismissal

of this case and for all other relief that is appropriate. The Acting United States Trustee further

requests that if the court dismisses this case that a judgment order be entered against the debtor

(s) and in favor of the Acting United States Trustee setting the amount of quarterly fees owed

pursuant to 28 U.S.C. § 1930(a)(6).

Respectfully submitted,

ANDREW R. VARA

Acting United States Trustee, Region 3

BY: /s/ Kevin P. Callahan

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Dated: March 26, 2018